UTAH OIL AND GAS CONSERVATION COMMISSION ELECTRIC LOGS FILE REMARKS WELL LOG WATER SANDS LOCATION INSPECTED SUB. REPORT/abd. 3-28-88 DATE FILED INDIAN 14-20-H62-1805 LAND: FEE & PATENTED STATE LEASE NO PUBLIC LEASE NO 4-7-88 (Cause No. 139-42) DRILLING APPROVED: SPUDDED IN: PUT TO PRODUCING: COMPLETED INITIAL PRODUCTION: GRAVITY A.P.I. GOR: PRODUCING ZONES TOTAL DEPTH WELL ELEVATION: 10-7.88 DATE ABANDONED BLUEBELL FIELD: UNIT: DUCHESNE COUNTY: UTE 2-**2**6-A3 WELL NO API #43-013-31210 7621 FNL FT. FROM (N) (S) LINE 1682' FEL FT. FROM (E) (W) LINE NW NE 36 LOCATION 1/4 - 1/4 SEC. SEC. **OPERATOR OPERATOR** TWP. RGE. TWP. RGE. SEC.

1\$

3W

36

ANR PRODUCTION CQ.

Form 3169-3 (November 1983) (formerly 9-331C)

UNITED STATES PARTMENT OF THE INTERIOR

SUBMIT IN TAXALICATE*

(Other instructions on reverse side)

Form approved.
Budget Buresu No. 1004-0136
Expires August 31, 1985

DEPARTMENT OF THE INTERIOR S. LEASE DESIGNATION AND SERIAL NO. BUREAU OF LAND MANAGEMENT 14-20-H62-1805 6. W INDIAN, ALLOTTER OR TRIBE NAME APPLICATION FOR PERMINTED BRIDG BEEPEN OR PLUG BACK <u> Uinta & Ouray Indian Tr</u>ibes 1s. TYPE OF WORK 7. UNIT AGREEMENT NAME PLUG BACK DRILL X DEEPEN Not Applicable A. TIPE OF WALL MAR 28 1988 MULTIPLE X WELL X WELL S. PARM OR LEASE HAMB OTHER 2. NAME OF OPERATOR Ute DIVISION OF 9. WELL NO. ANR Production Company OIL GAS & MINING 3. ADDRESS OF OPERATOR 2-36-A3 10. FIELD AND POOL, OR WILDCAT 80201-0749 P. O. Box 749, Denver, Colorado 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) Altamont Clarkell NWINE 11. SBC., T., R., M., OR BLE. AND SURVEY OR AREA 762' FNL, 1682' FEL 36-1S-3W At proposed prod. sone Same As Above Section 36, T1S, R3W 12. COUNTY OR PARISH | 18. STATE 14. DISTANCE IN MILES AND DIRECTION FROM HEAREST TOWN OR POST OFFICE* Duchesne Utah Approximately 2.5 Miles East of Bluebell, Utah 18. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OF LEASE LINE, FT.
(Also to searest drig, unit line, if any) 17. NO. OF ACRES ASSIGNED TO THIS WELL 16. NO. OF ACRES IN LEASE 762' 640 320 20. BOTARY OR CABLE TOOLS 19. PROPOSED DEPTE 18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3514.3'± 13,600' Rotary 22. APPROX. DATE WORK WILL START* 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6302' GR May 15. 1988 23. PROPOSED CASING AND CEMENTING PROGRAM SETTING DEPTH QUANTITY OF CEMENT SIES OF MOLE SIZE OF CASING WEIGHT PER POOT CMP 40' 30 sx Redi-Mix Circ. to Surf Conductor 20 16 0- 3,000' 985 sx Circ. to Surf. 9-5/8" K-55 12-1/4" 36.0# 1760 sx Class "H" Nitrified Foam 8-3/4" 0- 8,300' L-80 26.0#

7

5

8-3/4"

6-1/2"

8,300-11,200'

11,200-13,600'

300 sx 50/50 Pozmix

EIGHT-POINT RESOURCE PROTECTION PLAN ATTACHED.

" S-95

" P-110

ANR Production Company has a current nationwide bond.

26.0#

18.0#

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive sone and proposed new productive sone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

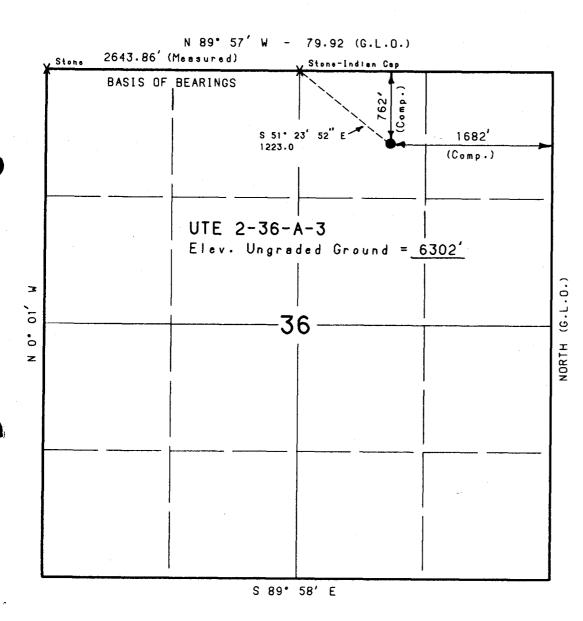
preventer program, if any.	
SIGNED RANGVL. Bart lev	Manager, Drilling & Prod. March 23, 1988
(This space for rederal or State office use)	APPROVED BY THE STATE
PERNIT NO. 43-013-31210	APPROVAL DATE OF UTAH DIVISION OF
FB6.412 PV	OIL, GAS, AND MINING
APPROVED BY	- TITLE BATE / SO MITTER
CONDITIONS OF APPROVAL, IP ANY :	BY: John X. Dan
	WELL SPACING: 139 42
*\$	ee Instructions On Reverse Side 477-85

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false. fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

^{*} Conductor Optional.

^{**} Cement volumes may change due to hole size. Calculate from Caliper log.

T1S, R3W, U.S.B.&M.



X = SECTION CORNERS LOCATED

PROJECT

ANR PRODUCTION CO.

Well location, UTE 2-36-A-3, located as shown in the NW1/4 NE1/4 of Section 36, T1S, R3W, U.S.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION IN THE NWI/4 SE1/4 OF SECTION 26, T1S, R3W. U.S.B.&M. TAKEN FROM THE BLUEBELL QUADRANGEL, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6269 FEET



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION Nº 2454
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING P.O. BOX Q ~ 85 SOUTH - 200 EAST VERNAL, UTAH - 84078

SCALE	DATE		
1" = 1000"	3-9-87		
PARTY	REFERENCES		
L.D.T. G.S. J.R.S.	GLO		
WEATHER	FILE		
COOL	ANR PRODUCTION CO.		

ANR PRODUCTION COMPANY Tribal Lease #14-20-H62-1805, Ute #2-36-A3 NW\(\frac{1}{4}\), Section 36, T1S, R3W Duchesne County, Utah

Drilling Prognosis

1. Estimated Tops of Important Geologic Markers:

Tertiary (Uinta/Duchesne)	Surface
Lower Green River	10,044'
Wasatch	11,484'
Total Depth	13,600'

2. Estimated Depths of Anticipated Water, Oil, Gas or Mineral Formations:

Wasatch 11,484' Oil/Gas (Primary Objective)

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

- 3. Pressure Control Equipment: (Schematic Attached)
 - A. Interval(s) At Which Used: 0-3,000'

Type : 11-inch Annular Preventer.

Pressure Rating : 3000 psi Annular Preventer.

Testing Procedure: The Annular Preventer will not be

pressure tested for drilling of

the surface hole.

B. Interval(s) At Which Used: 3,000-13,600'

Type : 11" Double Gate Hydraulic with one

(1) blind ram (above) and one (1) pipe ram (below) and 11" Annular Preventer; equipped with automatic choke manifold and 11" casing head.

Pressure Rating : 5000 psi BOP, 5000 psi choke

manifold, 5000 psi Annular Preventer

and 5000 psi casing head.

3. Pressure Control Equipment: Continued

B. Interval(s) At Which Used: 3,000-13,600'

Testing Procedure :

The Annular Preventer will be pressure tested to 50% of the rated working pressure, the BOP and choke manifold will be pressure tested to the rated working pressure or 70% of the internal yield strength of the surface casing, whichever is less, for a period of fifteen (15) minutes upon installation; once every thirty (30) days and/or when flange seals are broken if a "nipple-up" or "nipple-down" takes place.

BOP systems will be consistent with API RP53 insofar as reasonably possible. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The Bureau of Land Management District Office will be notified twenty-four (24) hours in advance (at a minimum) of running pressure tests in order to have a BLM representative on location during testing.

Fill line will be two (2) inches, kill line will be two (2) inches, choke relief line will be two (2) inches. BOP drills and tests will be recorded in the driller's log.

The choke manifold and BOP extension rods with handwheels will be located outside the rig sub-structure. The hydraulic BOP closing unit will be located at least twenty-five (25) feet from the well head. Exact locations and configurations will depend upon the particular rig contracted to drill this hole.

A flare line will be installed after the choke manifold, extending 125 feet (minimum) from the center of the drill hole to a separate flare pit.

4. The Proposed Casing and Cementing Program: (All New)

A. Casing Program:

<u> Hole Size</u>	<u>Casing Size</u>	Wt./Ft. Grade Joint Depth Set
20 "	16 "	Conductor (optional) 0- 40'
12-1/4"	9-5/8"	36.0# K-55 ST&C 0-3,000'
8-3/4"	7 "	26.0# L-80 LT&C 0-8,300'
8-3/4"	7 "	26.0# S-95 LT&C 8,300-11,200'
6-1/2"	5 "	18.0# P-110 FLF 11.200-13.600'

Casing String(s), will be pressure tested to 0.2 psi/foot, or 1000 psi, whichever is greater.

B. Cementing Program:

Surface Conductor : Approximately 30 sx Redi-Mix,

circulated to surface.

Surface Casing : Approximately 985 sx Class "A"

cement, circulated to surface.

Intermediate Casing : Approximately 1760 sx Class "H"

Nitrified foam.

Production Liner : Approximately 300 sx 50/50 Pozmix

with additives.

A greater amount of cement will be used if necessary to ensure that all potentially productive hydrocarbon zones are cemented off. Actual fill-up to be determined from logs.

The Bureau of Land Management District Office will be notified twenty-four (24) hours in advance (at a minimum) of running and cementing casing strings.

5. Mud Program: (Monitor with Flow Sensor Device)

<u>Interval</u>	Type	Weight	Viscosity	Fluid Loss
0-3,000'	Native Mud	8.5- 9.0	35-50	No Control
3,000- 8,300'	Fresh Water	8.3- 8.7	26-29	No Control
8,300-11,200'	Gel/Polymer	8.6-12.2	40-65	10-12 cc's
11,200-13,600'	Invert Oil	12.2-15.5	35-40	5 (HTHP)
	Emulsion			

5. Mud Program: Continued

No chromate additives will be used in the mud system on Federal and/or Indian Lands without prior approval from the Authorized Officer to ensure protection of fresh water aquifers.

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise. Inventory will not be less than the required amount needed to drill this well.

6. Evaluation Program:

<u>Logs</u> : DIL-GR-SP - 13,600' - 11,200'

BHC-Sonic-GR - 13,600' - 11,200'

DST's : None Anticipated.

<u>Cores</u>: None Anticipated.

Evaluation Program may change at the discretion of the wellsite geologist, with prior approval of the Bureau of Land Management.

Stimulation : No stimulation or frac treatment has

been formulated for this test at this time. The drill site, as approved, will be of sufficient size to accommodate all

completion activities.

Whether the well is completed as a dry hole or as a producer, Well Completion and Recompletion Report and Log (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after the completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two (2) copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the District Manager.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H_2S gas has been reported or known to exist from previous drilling in this area at this depth. Maximum anticipated bottom hole pressure equals 6857 psi.

8. <u>Drilling Activity</u>, Auxiliary Equipment and Notification of Operations:

A. Drilling Activity:

Anticipated Commencement Date: May 15, 1988

Drilling Days : Approximately 45 Days Completion Days : Approximately 30 days

B. Auxiliary Equipment:

- A kelly cock will be kept in the string at all times.
- 2. A stabbing valve will be kept on the derrick floor to be stabbed into the drill pipe whenever the kelly is not in the string.
- 3. Float shoe, float collar and centralizers will be utilized in the drill string.

C. Notification of Operations:

- 1. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in suspended status without prior approval of the Authorized Officer. If operations are to be suspended, prior approval of the Authorized Officer will be obtained and notification given before resumption of operations.
- 2. The spud date will be reported orally to the Authorized Officer within 48 hours after spudding. If spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a "Sundry Notice" (Form 3160-5).

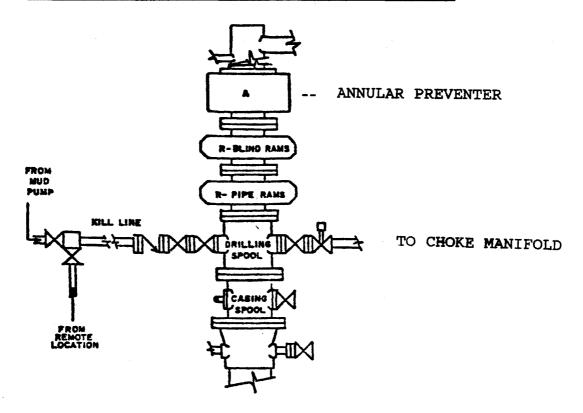
- 8. <u>Drilling Activity</u>, Auxiliary Equipment and Notification of Operations:
 - C. Notification of Operations: Continued
 - 3. In accordance with Onshore Operating Order No. 1, this well will be reported on Form 9-329 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed, in triplicate, with the Vernal District Office, Bureau of Land Management, 170 South 500 East, Vernal, Utah 84078.
 - 4. <u>Immediate Report</u>: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
 - 5. If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for approval of the Authorized Officer, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
 - 6. Should the well be successfully completed for production, the Authorized Officer will be notified when the well is placed in an producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.
 - 7. Pursuant to NTL-2B, with the approval of the District Manager, produced water may be temporarily disposed of into the reserve pit for a period of up to ninety (90) days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Manager.

- 8. Drilling Activity, Auxiliary Equipment and Notification of Operations:
 - C. Notification of Operations: Continued
 - 8. Pursuant to NTL-4A, lessees and operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of thirty (30) days or the production of fifty (50) MMCF of gas, whichever occurs first. An application must be filed with the District Manager, and approval received, for any venting/flaring of gas beyond the initial thirty (30) day or authorized test period.
 - 9. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.
 - 10. A first production conference will be scheduled within fifteen (15) days after receipt of the first production notice.
 - 11. No well abandonment operations will be commenced without the prior approval of the Authorized Officer. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Authorized Officer. A "Subsequent Report of Abandonment: Form 3160-5, will be filed with the Authorized Officer within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of the surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved Application for Permit to Drill or approved abandonment notice has been completed to the satisfaction of the Authorized Officer or his representative, or the appropriate Surface Management Agency.

- 8. <u>Drilling Activity</u>, Auxiliary Equipment and Notification of Operations:
 - C. Notification of Operations: Continued
 - 12. Pursuant to Onshore Operating Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in such a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal and Indian lands.

ANR PRODUCTION COMPANY
Tribal Lease #14-20-H62-1805, Ute #2-36-A3
NW1NE1, Section 36, T1S, R3W
Duchesne County, Utah

TYPICAL 5,000 psi WORKING PRESSURE BOP STACK



Test Procedure

- 1) Flush BOP's and all lines to be tested with water.
- 2) Run test plug on test joint and seat in casing head (leave valve below test plug open to check for leak).
- 3) Test the following to rated pressure:
 - a) inside blowout preventer
 - b) lower kelly cock
 - c) upper kelly cock
 - d) stand pipe valve
 - e) lines to mud pump
 - f) kill line to BOP's
- 4) Close and test pipe rams to rated pressure.
- 5) Close and test Hydril to rated pressure.
- 6) Back off and leave test plug in place. Close and test blind rams to rated pressure.
- 7) Test all choke manifold valves to rated pressure.
- 8) Test kill line valves to rated pressure.

BOP ACTUATING SYSTEM

- 1) Accumulator capacity will supply 1½ times volume necessary to close all BOP equipment units with a minimum pressure of 203 psi above pre-charge pressure.
- 2) Accumulator back up system, supplied by a secondary power source independent of primary power source, will be provided with sufficient capacity to close all blowout preventers.
- 3) Locking devices will be provided on ram type preventers.
- 4) Primary BOP actuating control will be hydraulic and located either in the dog house or on the rig floor. Back up control will be provided by hand-wheel manual operation of BOP.

CHOKE MANIFOLD

All valves and fittings will be rated at 5000# working pressure.

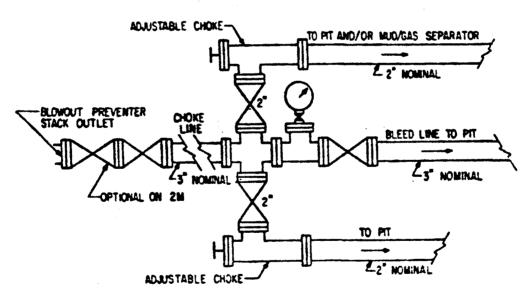


FIG. 3.A.1
TYPICAL CHOKE MANIFOLD ASSEMBLY

ANR PRODUCTION COMPANY
Tribal Lease #14-20-H62-1805, Ute #2-36-A3
NW1NE1, Section 36, T1S, R3W
Duchesne County, Utah

Multi-Point Surface Use and Operations Plan

- 1. Existing Roads: Refer to Map "A" (shown in RED)
 - A. The proposed well site is staked and four 200-foot reference stakes are present.
 - B. To reach the location from the town of Altamont, Utah; proceed east approximately 3.7 miles on Utah Highway 199, thence east approximately 1.1 miles on an existing county road (crowned & ditched with a gravel surface), thence north approximately 1.4 miles on an existing county road (crowned & ditched with a gravel surface), thence generally east approximately 2.3 miles on an existing upgraded road (crowned & ditched with a gravel surface), thence south approximately 0.6 mile on an existing, upgraded oilfield road to an ANR producing well location, thence generally south approximately 1.0 mile to the proposed Ute #2-36-A3 well location.
 - C. Access Roads refer to Maps "A" and "B".
 - D. Access roads within a one-mile radius refer to Map "B".
 - E. The existing gravel roads will be maintained in the same or better condition as existed prior to the commencement of operations and said maintenance will continue until final abandonment and reclamation of the well location.
- 2. Planned Access Roads: Refer to Map "B" (Shown in GREEN)

Approximately one (1) mile of new road construction will be required for access to the proposed Ute #2-36-A3 well location.

- A. Width 30-foot right-of-way with 18-foot running surface, crowned & ditched. Access road construction will conform to standards outlined in the 1978 USGS/BLM/USFS publication: Surface Operating Standards for Oil & Gas Exploration and Development.
- B. Maximum grade 2%.
- C. Turnouts none.
- D. Drainage design the access road will be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a safe, well constructed road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely.

2. Planned Access Roads: Continued

- Drainage design Traveling off the 30-foot right-of-way will not be allowed. Road drainage crossings (if required) will be of the typical dry creek drainage crossing type. Crossings will be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor will the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water will be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading will not be performed during muddy conditions. Should mud holes develop, they will be filled in and detours around them avoided.
- E. Culverts, cuts and fills no culverts will be required along the proposed access route. There are no major cuts and/or fills along the proposed access route.
- F. Surfacing material gravel will placed on the proposed access road to a minimum depth of four (4) inches. The gravel for the access road will be purchased from a local contractor having a permitted source (private) of materials in the area.
- G. Gates, cattleguards or fence cuts one (1) cattleguard, with adjacent wire gate, will be required in the E/W right-of-way fence located in the SE½ of Section 25, T1S, R3W. A second cattleguard, with adjacent wire gate, will be required at the junction of the proposed access road and location in the fence to be constructed around the well pad. ANR Production Company will be responsible for all maintenance on cattleguards associated with the Ute #2-36-A3 well location.
- H. The proposed access road is flagged.

3. Location of Existing Wells Within a One-Mile Radius:

- A. Water wells none known.
- B. Abandoned wells none known.
- C. Temporarily abandoned wells none.
- D Disposal wells none known.
- E. Drilling wells none.
- F. Producing wells SENWN, Section 30, T1S, R2W.

 NWNNE, Section 25, T1S, R3W.

 NWNSE, Section 35, T1S, R3W.
- G. Shut-in wells none.
- H. Injection wells none.
- I. Monitoring wells none.

- 4. Location of Existing and/or Proposed Facilities Owned by ANR Production Company Within a One-Mile Radius:
 - A. Existing.
 - 1. Tank batteries SWINEI, Section 25, T1S, R3W.

 NWISEI, Section 35, T1S, R3W.

 NEISWI, Section 36, T1S, R3W.
 - 2. Production facilities same as Item #4A1, above.
 - Oil gathering lines same as Item #4A1, above.
 - 4. Gas gathering lines same as Item #4A1, above.
 - B. New Facilities Contemplated.
 - 1. All production facilities will be located on the disturbed portion of the well pad and at a minimum of twenty (20) feet from the toe of the backslope.
 - 2. Production facilities will require an area approximately 400' X 300'.
 - 3. Production facilities will be installed on the existing well pad. Construction materials needed for installation of the production facilities will be obtained from the site; any additional materials needed will be purchased from a local supplier. A dike will be constructed completely around the well location for production purposes. The dike will be constructed of compacted subsoil, be impervious, and of sufficient size to hold 1.5 times the capacity of the tank battery. The integrity of the dike(s) will be maintained throughout the productive life of the well.
 - 4. All permanent (on-site for six months or longer) above-the-ground structures constructed or installed (including pumping units) will be painted Desert Brown (Munsell standard color #10YR 6/3). All production facilities will be painted within six (6) months of installation. Facilities required to comply with Occupational Health and Safety Act Rules and Regulations will be excluded from this painting requirement.
 - C. The entire location will be fenced with woven wire mesh topped with two (2) strands of barbed wire held in place by side posts and corner "H" braces in order to protect livestock and wildlife. The fence will be constructed as prescribed in the 1978 USGS/BLM/USFS publication: Surface Operating Standards for Oil & Gas Exploration and Development.
 - D. During drilling and subsequent operations, all equipment and vehicles will be confined to the access road and any additional areas specified in the Application for Permit to Drill.

- 4. <u>Location of Existing and/or Proposed Facilities Owned</u>
 by ANR Production Company Within a One-Mile Radius: Cont.
 - E. Reclamation of disturbed areas no longer needed for operations will be accomplished by grading, leveling and seeding as recommended by the Bureau of Indian Affairs (Refer to Item #10A2 for the appropriate seed mixture and rate of application).

5. Location and Type of Water Supply:

- A. Fresh water for spudding will be purchased from the Dry Creek Irrigation District. Water will be diverted from the Bluebell Lateral irrigation ditch at a point located in the NW½ of Section 28, T1S, R3W. Application for a Temporary Water Right will be filed with the Water Rights Division, Utah Department of Natural Resources prior to diversion, if required.
- B. Water will be trucked over existing roads from the point of diversion to the proposed Ute #2-36-A3 well location. No new construction will be required on/along the proposed water haul route. Access roads which cross off-lease Tribal lands on/along the proposed water haul route will be authorized under a separate Right-of-Way Grant/Special Use Permit to be obtained from the Uintah and Ouray Ute Indian Tribes and/or the Bureau of Indian Affairs prior to commencement of operations.
- C. No water well will be drilled on this location.

6. Source of Construction Materials:

- A. Construction materials needed for surfacing of the well pad will be obtained from a local contractor having a permitted source (private) of materials in the immediate area. Refer to Item #2F regarding construction materials required on the access road.
- B. No construction materials will be taken from Federal and/or Indian lands without prior approval from the appropriate Surface Management Agency.
- C. If production is established, any additional construction materials needed for surfacing the access road and installation of production facilities will be purchased from a local supplier having a permitted source of materials in the area.
- D. No new access roads for construction materials will be required.

7. Methods of Handling Waste Materials:

A. Cuttings - the cuttings will be deposited in the reserve pit.

B. Drilling fluids - including salts and chemicals will be contained in the reserve pit. Upon termination of drilling and completion operations, the contents of the reserve pit will be removed and disposed of at an approved waste disposal facility. The reserve pit will be designed to prevent the collection of surface runoff and will be constructed with a minimum of one-half (1/2) the total depth below the original ground level at the lowest point within the pit.

C. Produced fluids - hydrocarbons produced during completion operations will be placed in test tanks on the location. Produced waste water will be confined to a lined pit (reserve pit) or storage tank for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period an application for approval of a permanent disposal method and location, along with required water analysis, will be submitted for the Authorized Officer's approval. Any spills of oil, gas, salt water or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

D. Sewage - portable, self-contained chemical toilets will be provided by Rocket Sanitation for human waste disposal. The toilet holding tanks will be pumped as necessary, and the contents disposed of in an approved sewage disposal facility.

E. Garbage and other waste material - garbage and inflammable wastes will be contained in a portable trash
container and disposed of at the nearest, approved
sanitary landfill upon completion of drilling
operations. No trash will be burned on location or
placed in the reserve pit.

F. After the rig moves out, all materials will be cleaned up and no adverse materials will be left on the location. The entire location will be fenced according to specifications outlined under item #4C and the fencing will be maintained until the location has been satisfactorily reclaimed.

G. The reserve and /or production pit will be constructed on the existing location and will not be located in natural drainages where a flood hazard exists or surface runoff will destroy or damage the pit walls. All pits will be constructed so as not to leak, break, or allow the discharge of liquids therefrom.

8. Ancillary Facilities:

None

9. Wellsite Layout:

- A. Figure #1 shows the drill site layout as staked. Cross sections have been drafted to visualize the planned fills across the location (Refer to Figure #1).
- B. Figure #1 is a diagram showing the rig layout. No permanent living facilities are planned. There will be three trailers on location; one each for the mud logger, geologist and toolpusher.
- C. Figure # 2 is a diagram showing the proposed production facilities layout.
- D. The reserve pit will be lined with a ten (10) mil plastic liner, bedded with a sufficient amount of straw to cover the rocks and prevent puncture and leakage once the pit has been filled with fluids. A flare pit will be constructed on location, south of and separate from the reserve pit, and at a minimum of thirty (30) feet from the reserve pit fence and one hundred (100) feet from the rig substructure.
- E. Prior to commencement of drilling operations, the entire location will be fenced "Stock Tight" with woven wire and two (2) tops strands of barbed wire held in place with side posts and corner "H" braces. Refer to Item #4C for additional information regarding specifications on the fence. Said fencing will be maintained until final abandonment and commencement of reclamation operations on the location.
- F. Any hydrocarbons on the pit will be removed from the pit as soon as possible after drilling operations are completed.

10. Plans for Reclamation of the Surface:

A. Production

1. Immediately upon well completion, the well location and surrounding area will be cleared of all debris, materials, trash and junk not required for production. Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed. Other waste and spoil materials will be disposed of immediately upon completion of drilling and workover activities.

10. Plans for Reclamation of the Surface:

A. Production - Continued

- 1. The reserve pit and that portion of the location and access road not needed for production facilities/operations will be reclaimed within ninety (90) days from the date of well completion. For production, the fill slopes will be reduced from a 1.5:1 slope to a 3:1 slope and the cut slopes will be reduced from a 1.5:1 slope to a 3:1 slope by pushing the fill material back into the cut.
- 2. Upon completion of backfilling, leveling and recontouring, the stockpiled topsoil will be evenly spread over the reclaimed area(s). Prior to reseeding, all disturbed surfaces (including the access road and location) will be scarified and left with a rough surface. No depressions will be left that would trap water and form ponds. All disturbed surfaces (including the access road and well pad areas) will be reseeded with the following seed mixture recommended by the Bureau of Indian Affairs:

<u>Species</u>	Lbs. PLS/Acre
Created Wheatgrass	3.0
Indian Ricegrass	2.0
Galleta	2.0
Four-wing Saltbush	2.0

Seed will be drilled on the contour to an approximate depth of one-half (1/2) inch. Fall seeding will be completed after September 15 and prior to ground frost. If the seeding is unsuccessful, ANR Production Company may be required to make subsequent seedings.

3. ANR Production Company will submit a plan for controlling noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities, if warranted by the presence of noxious weeds (as identified by the County Extension Office) or required by the Bureau of Indian Affairs.

B. Plugging and Abandonment

1. The reclamation operations will begin after the drilling rig is removed. Removal of oil or other adverse substances will begin immediately or the affected area(s) will be flagged and/or fenced.

10. Plans for Reclamation of the Surface:

- B. Plugging and Abandonment Continued
 - 2. On lands administered by the Bureau of Indian Affairs, abandoned well sites, roads, or other disturbed areas will be restored to near their original condition. This procedure will include: (a) re-establishing irrigation systems where applicable, (b) re-establishing soil conditions in irrigated fields in such a way as to ensure cultivation and harvesting of crops and, (c) ensuring revegetation of the disturbed areas to the specifications of the Uintah & Ouray Indian Tribes or the Bureau of Indian Affairs at the time of abandonment. ANR Production Company will submit a surface reclamation plan to the Bureau of Indian Affairs prior to commencement of reclamation operations, if required.
 - 3. All disturbed surfaces will be recontoured to the approximate natural contours and reseeded according to specifications contained in Item #10A2, above. Reclamation of the well pad and access road will be performed as soon as practical after final abandonment and reseeding operations will be performed in the fall following completion of reclamation operations as per Item 10A2, above.

11. <u>Surface Ownership</u>:

The well site and proposed access road are situated on lands owned by the Uintah and Ouray Ute Indian Tribes and administered in trust by:

United States Department of the Interior Bureau of Indian Affairs Uintah & Ouray Agency Fort Duchesne, Utah 84026 Phone: (801) 722-2406

The grazing permittee on this land parcel is as follows:

Ute Tribal Livestock Exchange P.O. Box 266 Fort Duchesne, Utah 84026

11. Surface Ownership: Continued

I certify that ANR Production Company has reached an agreement with the Bureau of Indian Affairs and the Uintah and Ouray Ute Indian Tribe as to the requirements for the protection of surface resources and reclamation of disturbed areas and/or damages in lieu thereof. If an agreement has not been reached, ANR Production Company agrees to comply with the provisions of the law or regulations governing the Federal or Indian right of re-entry to the surface (25 CFR 169, 25 CFR 212 and 43 CFR 3814).

Marcy 22. 1988

Robert M. Anderson/Authorized Agent

12. Other Information:

- A. General Description of the Project Area: The project area is within the outer boundary of the Uintah & Ouray Indian Reservation situated in the gently to moderately rolling uplands of northeastern Utah in an area north of Big Sand Wash, northeast of Blue Bench, south of the Uinta Mountains, and east of Dry Gulch Creek. This area is characterized by gently to moderately undulated uplands which are generally covered in juniper with the adjacent lowlands subject to intensive agricultural use through irrigation. Flora consists of non-native grasses such as Crested Wheatgrass, native grasses such as Indian Ricegrass, forbs, and various woody species such as juniper. Fauna consists of mule deer, antelope, coyotes, rabbits, raptors, and various smaller vertebrates and invertebrates.
- B. Surface Use Activities: The primary surface use is for grazing.
- C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites:
 - 1. The closest source of permanent water is Dry Gulch Creek located approximately one (1) mile to the
 - 2. The closest occupied dwellings are located it the community of Bluebell, approximately 2.5 miles to the west.

12. Other Information:

- C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites: Continued
 - 3. A cultural resource clearance will be conducted before any construction activities begin on the proposed Ute #2-36-A3 well location. If, during operations, any archaeological or historical sites, or any object(s) of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites are to be suspended and the discovery reported promptly to the Bureau of Indian Affairs.
- D. Additional Stipulations for Operations on Lands Administered by the Bureau of Indian Affairs:
 - 1. Operator's employees, including subcontractors, will not gather firewood along roads constructed by operators. If wood cutting is required, a permit will be obtained from the Forestry Department of the BIA pursuant to 25 CFR 169.13 "Assessed Damages Incident to Right-of-Way Authorization". All operators, sub-contractors, vendors and their employees or agents may not disturb saleable timber (including firewood) without a duly granted permit from the BIA Forester.
 - 2. If the surface rights are owned by the Ute Indian Tribe and mineral rights are owned by another entity, an approved right-of-way will be obtained from the BIA before the operator begins any construction activities. If the surface is owned by another entity and the mineral rights are owned by the Ute Indian Tribe, rights-of-way will be obtained from the other entity.
 - 3. All roads constructed by oil and gas operators on the Uintah & Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state: (a) that the land is owned by the Uintah & Ouray Indian tribes, (b) the name of the Operator, (c) that firearms are prohibited by all non-Tribal members, (d) that permits must be obtained from the Bureau of Indian Affairs before cutting firewood or other timber products, and (e) only authorized personnel are permitted to use said road.

12. Other Information:

- D. Additional Stipulations for Operations on Lands Administered by the Bureau of Indian Affairs: Continued
 - 4. All well site locations on the Uintah & Ouray Indian Reservation will have an appropriate sign indicating the name of the Operator, the lease serial number, the well name and number, the survey description of the well (either footages or the quarter-quarter section, section, township, and range).
 - 5. ANR Production Company shall contact the Bureau of Land Management and the Bureau of Indian Affairs between 24 and 48 hours prior to commencement of construction activities. BLM: (801) 789-1362, BIA: (801) 722-2406.
 - Each existing fence to be crossed by the access road right-of-way will be braced and tied off before cutting so as to prevent slacking of the wire. opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to Bureau of Indian Affairs specifications. A cattleguard with an adjacent 16foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguard will be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal and Private lands, the Operator will contact the Bureau of Land Management, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy them that the fence is adequately braced and tied off. Refer to Item #11 for the name and address of the grazing lessee on this parcel of land.

13. Lessee's or Operator's Representative and Certification:

Representative:

Heitzman Drill-Site Services*
Dale Heitzman or
Robert M. Anderson
P.O. Drawer 3579
Casper, Wyoming 82602
(307) 266-4840

ANR Production Company
Randy Bartley, District
Drilling & Prod. Mgr.
P.O. Box 749
Denver, Colorado 80201-0749
(303) 572-1121

13. Lessee's or Operator's Representative and Certification:

Representative: Continued

* Contact for any additional information which may be required for approval of this Application for Permit to Drill.

<u>Certification</u>:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. ANR Production Company will be fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative(s) to ensure compliance.

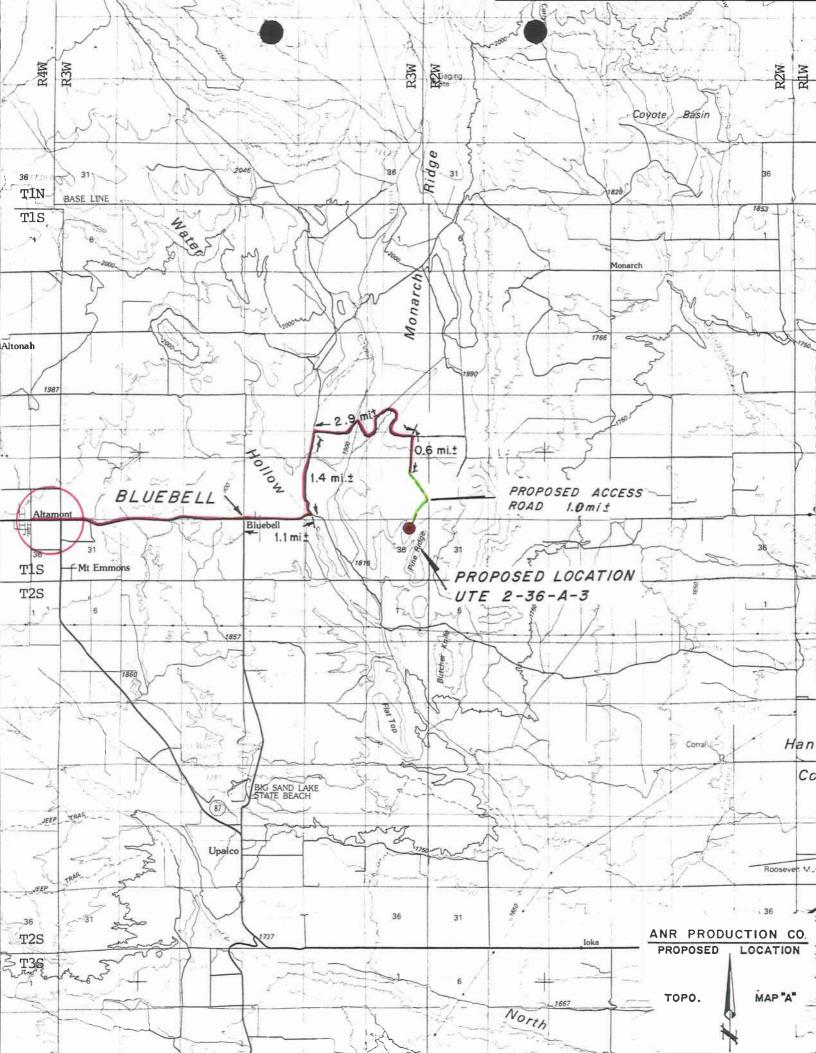
The dirt contractor will be provided with a copy of the Surface Use Plan from the approved Application for Permit to Drill.

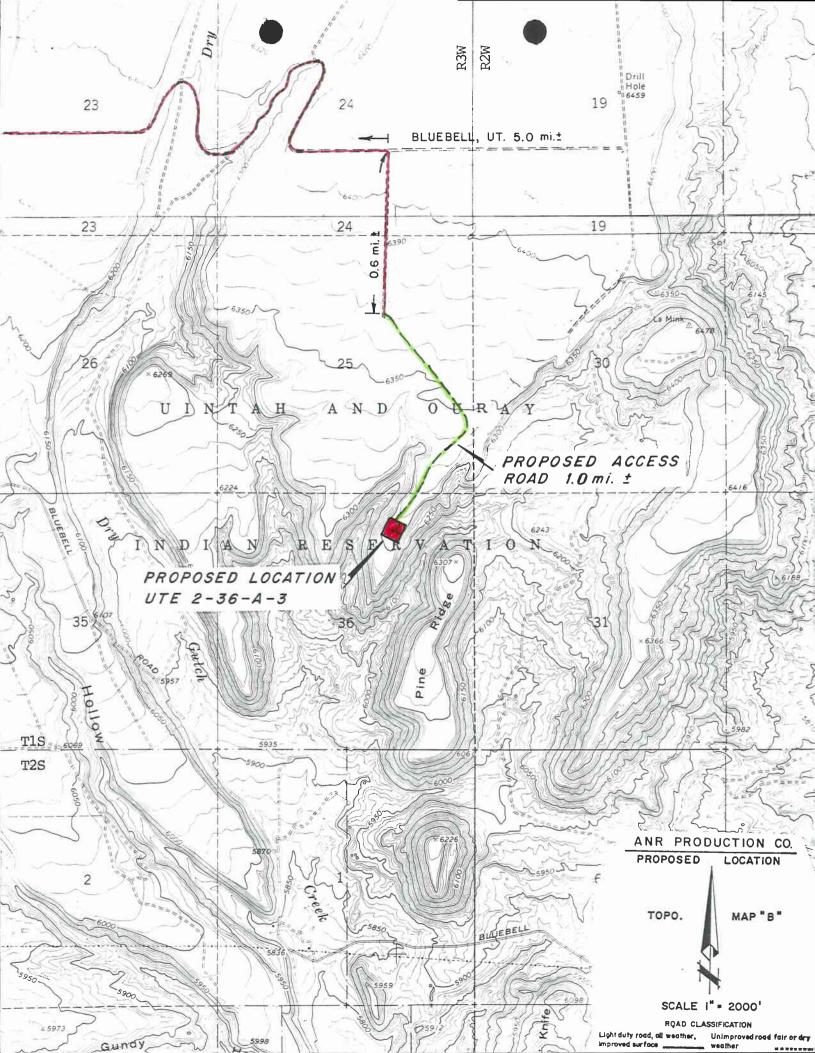
This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

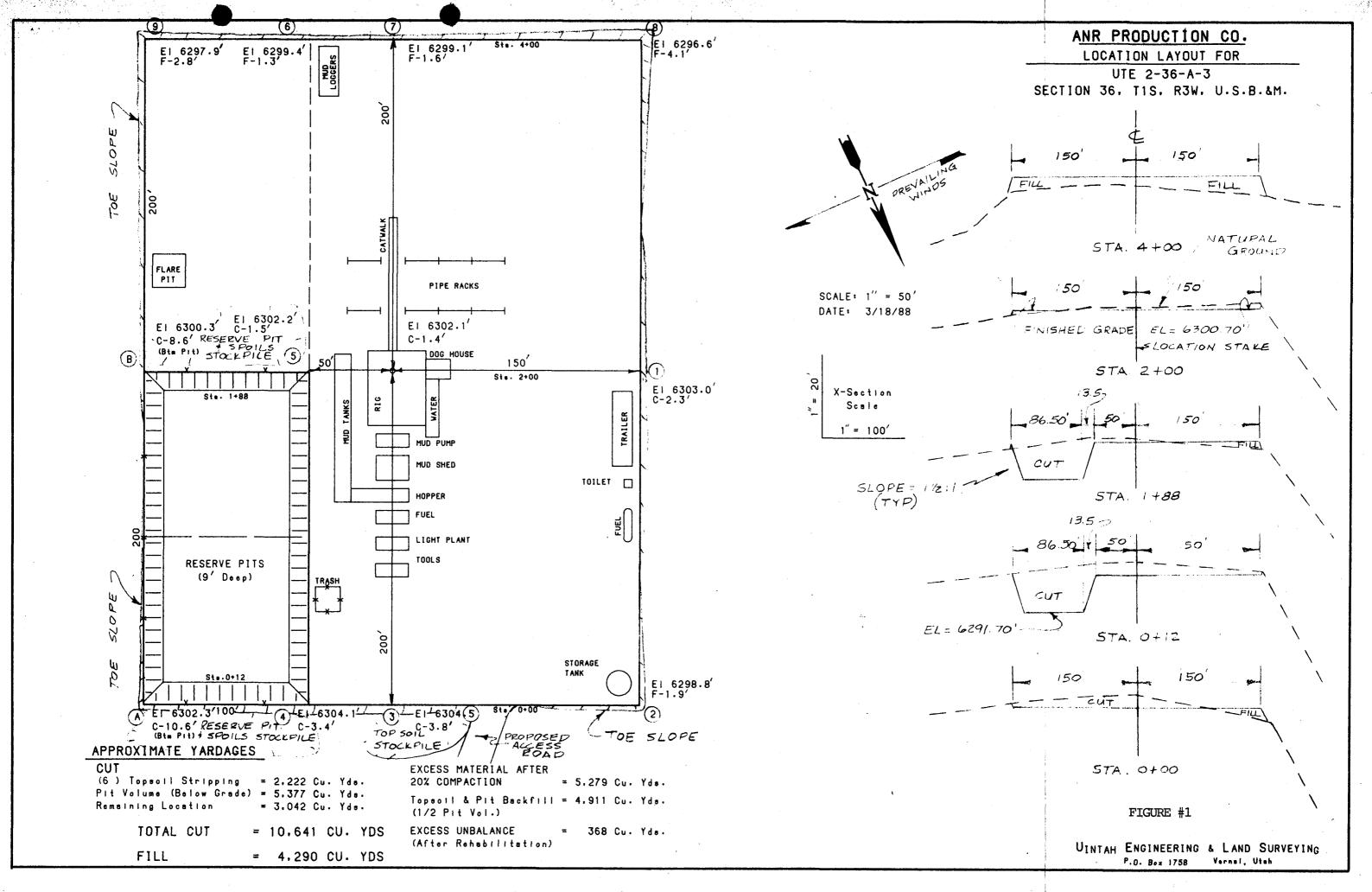
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by ANR Production Company, its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Manch 22, 1988
Date

Robert M. Anderson/Authorized Agent

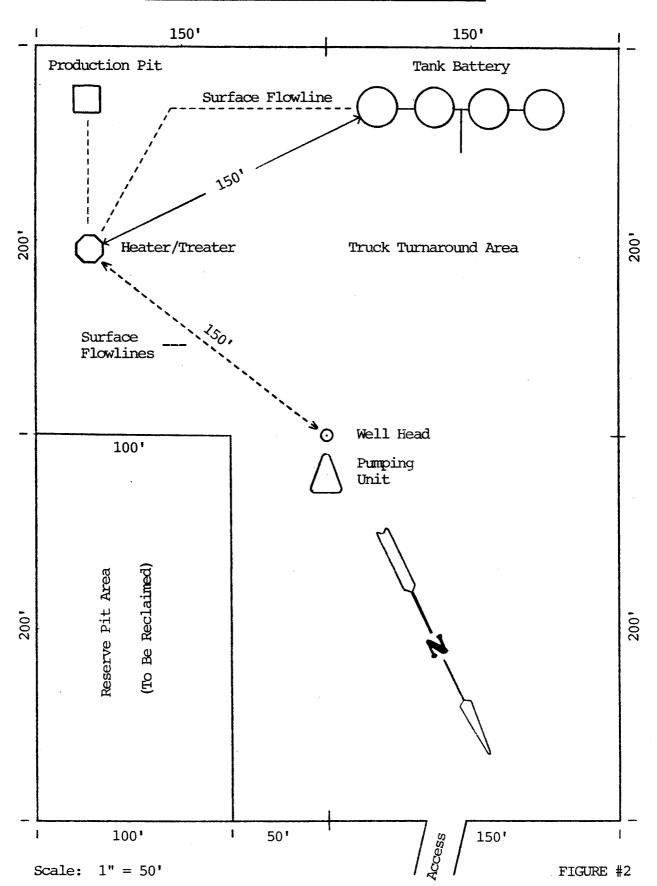






ANR PRODUCTION COMPANY Tribal Lease #14-20-H62-1805, Ute #2-36-A3 NWINEI, Section 36, T1S, R3W Duchesne County, Utah

PROPOSED PRODUCTION FACILITY LAYOUT



OPERATOR ANK Production Go.	DATE 4-5-88
WELL NAME Tite 2-36-43	
SEC NW NE 36 T 15 R 3W COUNTY	Sushesan
	of LEASE
CHECK OFF:	
PLAT	NEAREST WELL
LEASE	POTASH OR OIL SHALE
PROCESSING COMMENTS: Course 139-42 - 2nd Well in section	
necl water permit	
	and the second s
APPROVAL LETTER:	, and the second
SPACING: R615-2-3 UNIT	R615-3-2
139-42 4-17-85 CAUSE NO. & DATE	R615-3-3
STIPULATIONS: 1-Water	



555 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

April 7, 1988

ANR Production Company P. O. Box 749 Denver, Colorado 80201-0749

Gentlemen:

Re: Ute 2-36-A3 - NW NE Sec. 36, T. 1S, R. 3W - Duchesne County, Utah 762' FNL, 1682' FEL

Approval to drill the referenced well is hereby granted in accordance with the Order of Cause No. 139-42 dated April 17, 1985 subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.

In addition, the following actions are necessary to fully comply with this approval:

- Spudding notification to the Division within 24 hours after drilling operations commence.
- 2. Submittal of an Entity Action Form to the Division within five working days of the time that the well is spudded or a change in operations or interests necessitates a change in entity status.
- 3. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
- 4. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or Jim Thompson, Lead Inspector, (Home) 298-9318.
- Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2 ANR Production Company Ute 2-36-A3 April 7, 1988

- Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at the drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of all local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
- 7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-013-31210.

Sincerely,

R.√1.2Firth

Associate Director, Oil & Gas

as

Enclosures

cc: Branch of Fluid Minerals
Bureau of Indian Affairs

D. R. Nielson

8159T

LCR/TAS:

I've changed my mind after reading the BLM more carefully. What we need to do is wait the 30 clays them check to

DIVISION OF OIL, GAS & MINING

3162.31 UT08438

ANR Producti P.O. Box 749 Denver, Colc

Attn: Randy

See if BLM returns

ANR'S APD. If so, then

we'll go ahead s' resind.

Sorry for the confusion.

910 ermit to Drill

, R.3W. Utah 805

Dear Mr. Bar

The referenc on April 7,

this office

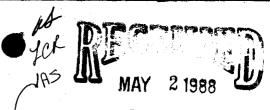
According to

a Bureau of Indian Affairs, the Bureau of Indian Affairs considers Lease 14-20-R62-1805 to have expired of its own terms. Therefore, this office is not able to process your application unless ANR Production Company has appealed the Bureau of Indian Affairs decision.

Should ANR Production Company wish this office to proceed with the processing of the referenced Application for Permit to Drill, a copy of ANR Production Company's appeal of the Bureau of Indian Affairs decision must be sent to this office along with the following which will complete the administrative aspects of your application:

- Identification of whether or not the proposed casing to be utilized is new or used.
- 2. BIA concurrence.

As part of the approval process, your application will be reviewed for technical adequacy and proposed surface mitigation. Personnel in the respective Resource Area Office will coordinate a joint onsite inspection with you to review the surface use plan in order to identify any special surface concerns, or have already done so. As part of the approval process, ANR Production Company may be required to furnish additional information.



Bureau of Land Management Vernal District Office 170 South 500 East Vernal, Utah 84078

DIVISION OF OIL, GAS & MINING

> 3162.31 UT08438

April 14, 1988

ANR Production Company P.O. Box 749 Denver, Colorado 80201-0749

Attn: Randy L. Bartley

13.013.31010

Re: Application for Permit to Drill

UT 2-36A3

Section 36, T.1S., R.3W. Duchesne County, Utah Lease 14-20-H62-1805

43-013-31210

Dear Mr. Bartley:

The referenced Application for Permit to Drill was received by this office on April 7, 1988.

According to correspondence dated April 5, 1988, written by the Bureau of Indian Affairs, the Bureau of Indian Affairs considers Lease 14-20-H62-1805 to have expired of its own terms. Therefore, this office is not able to process your application unless ANR Production Company has appealed the Bureau of Indian Affairs decision.

Should ANR Production Company wish this office to proceed with the processing of the referenced Application for Permit to Drill, a copy of ANR Production Company's appeal of the Bureau of Indian Affairs decision must be sent to this office along with the following which will complete the administrative aspects of your application:

- 1. Identification of whether or not the proposed casing to be utilized is new or used.
- 2. BIA concurrence.

As part of the approval process, your application will be reviewed for technical adequacy and proposed surface mitigation. Personnel in the respective Resource Area Office will coordinate a joint onsite inspection with you to review the surface use plan in order to identify any special surface concerns, or have already done so. As part of the approval process, ANR Production Company may be required to furnish additional information.

No further processing of the referenced Application for Permit to Drill will take place until this office receives a copy of the appeal filed, if any, of the Bureau of Indian Affairs decision along with deficiency No. 1 as stated above. If this information has not been received within thirty (30) days, the referenced Application for Permit to Drill will be returned back to you.

Cimonaly

Sincerely,

Craig M. Hansen ADM for Minerals

MHerrmann:aa



DIVISION OF OIL, GAS & MINING

3160 UT08438

May 31, 1988

ANR Production Co. P. O. Box 749 Denver, CO 80201-0749

Re: Application for Permit to Drill Well No. Ute 2-36A3
Section 36, T1S, R3W
Lease No., 14-20-H62-1805 (expired)
#3-013-36246

Gentlemen:

The referenced application was received on April 7, 1988. Since that date, we have not received the additional required information to make your application administratively complete.

Therefore, in accordance with Onshore Oil and Gas Order No. 1, we are — Need returning your application unapproved.

**Resummed TA Seed Resummed Ta Seed Resumm

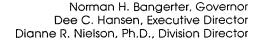
If you have any questions regarding this matter, please contact Margie Herrmann of this office.

Sincerely,

Craig M. Hansen ADM for Minerals

cc: State Div. OG&M

MHerrman:plp





355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

June 7, 1988

ANR Production Company P.O. Box 749 Denver, Colorado 80201-0749

Gentlemen:

Re: <u>Ute 2-36A3, Sec.36, T.1S, R.3W, Duchesne County, Utah,</u> API NO. 43-013-31210

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, <u>prior</u> to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

John R. Baza

Petroleum Engineer

tc

cc: BLM-Vernal

Dianne R. Nielson

R. J. Firth Well file

0327T